

## Superfund Program Special Account Analysis

### Superfund Workload

The Denver and Montana Offices currently manage approximately 90 NPL and NPL-equivalent Superfund sites. The Superfund workload across each Office/Program includes proposed sites, newly listed sites, NPL-equivalent sites (or Superfund Alternative), RI/FS/RD/RA sites, post construction sites, and sites requiring more attention due to new contaminants or remedy related issues.

The Superfund program is a non-delegable program. The CERCLA statute obligates EPA to address the risk of exposures to the public and the environment. The program has successfully completed cleanup work at various sites across the region and has reduced efforts at non-NPL and lower priority sites. De-listed sites often require on-going attention due to waste left in place, new contaminants and statutory five year reviews. The Superfund workload changes due to new NPL listings and initial remedial work at future (non-NPL) sites (e.g. Colorado Smelter, Columbia Falls Aluminum, Upper Animas). These sites require significant staff and extramural resources. Additionally, a national suite of Superfund contracts (Remedial Acquisition Framework) are transferring to the region from Headquarters. The new suite of contracts will be work intensive for RPMs (task order administration and construction field oversight) and contract staff (competing work at the task order level). Ensuring long-term protection/stewardship of remedies through institutional controls and Operation and Maintenance is a critical component of the Superfund process. Long-term stewardship requirements also require working with communities on the re-use and redevelopment aspects of cleaned up sites. Revised Agency guidance on community involvement at sites, the national Community Engagement Initiative, and critical IG reports on community outreach have resulted in increased national community involvement service interest and has led to maintaining the accuracy of websites and other social media.

### Special Account – Salary Charging Analysis

The Superfund Remedial Program, the Superfund Support Program, the Superfund Emergency Response and Preparedness Program, The Assessment and Revitalization Program, the Montana Office, the Superfund Enforcement management, and Superfund Community Involvement Unit Chief (the Program) reviewed existing special accounts (cashout settlements and reimbursable accounts) and evaluated the potential to utilize these accounts to supplement allocated Superfund resources. Salary dollars generally represent a small percentage of the overall cost of conducting the work. Payroll charging against special accounts is a small percentage of the cost of performing the work

**Commented [BS1]:** I'd like more clarity on who this is? The next paragraph references SRP, SSP and MOO, and it also references the Denver and Helena RPMs. It seems like you are referring to the same work in each of these instances.

In Feb. 2015, the Program conducted a comprehensive analysis of Region 8 NPL sites with special accounts. gram Managers:

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1. Identified all the sites in Region 8 with special accounts.
2. Analyzed/reviewed actual FY14 special account site charging.
  - a. Actual site charging at these 27 sites totaled 21 FTE (i.e., in FY14, 21 FTE could have had payroll for their time paid by these special accounts).

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3. Reviewed the future workload at each site and determined that 10 sites had *5 years or more of intensive future work* and *available/projected future funding*. These 10 sites and the special accounts for these sites could support the salary for 9.5 potential FTE.
4. The region discussed this approach with OSWER managers and received their support to utilize special account funds for paying salary at the potential expense of funding extramural needs. The degree to which the region chooses to utilize special account funds for payroll is a regional decision.
5. The Program met with TMS staff. TMS-FMP management believes that FMP can absorb the additional workload associated with tracking special account payroll charging if there is a limited number of special accounts being used for payroll. However, it is possible that TMS-FMP may need additional resources to support this activity.

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**Commented [B55]:** Did FMP say they could support additional work associated with the 9.5 FTE? If so, I would revise this language to clarify further.

| <u>Sites with greatest potential for Special Account Payroll Charging</u>   |             |                  |   |
|---|-------------|------------------|---|
| <u>Site Name</u>  | <u>FTE</u>  | <u>SA Type *</u> | <u>Comment</u>                                      |
| <u>Rocky Mountain Arsenal</u>   | <u>0.50</u> | <u>RE</u>        | <u>This would be in addition to current 1.0 FTE</u> |
| <u>Anaconda Smelter</u>   | <u>1.00</u> | <u>CO</u>        | <u>5 -10 years of additional work</u>               |
| <u>ACM/Great Falls Refinery</u>   | <u>0.50</u> | <u>RE</u>        | <u>10 + years of additional work</u>                |
| <u>Kennecott (various OUs)</u>  | <u>1.00</u> | <u>RE</u>        | <u>5 - 10 years of additional work</u>              |
| <u>Silver Bow Creek</u>   | <u>2.00</u> | <u>CO</u>        | <u>10 + years of additional work</u>                |
| <u>Milltown Reservoir</u>   | <u>0.50</u> | <u>CO</u>        | <u>5 + years of additional work</u>                 |
| <u>Gilt Edge Mine</u>   | <u>0.75</u> | <u>CO</u>        | <u>10 + years of additional work</u>                |
| <u>Libby Asbestos OU3</u>   | <u>0.75</u> | <u>RE</u>        | <u>10 + years of additional work</u>                |
| <u>U.S. Magnesium</u>   | <u>1.50</u> | <u>RE</u>        | <u>10 + years of additional work</u>                |
| <u>Lincoln Park/Cotter</u>  | <u>1.00</u> | <u>RE</u>        | <u>5 -10 years of additional work</u>               |
|   | <u>9.50</u> |                  |   |
| <p>* FTE = Based on an analysis of actual charging in 2014.</p> <p>These FTE are less than the actual charging and are conservative estimates of potential FTE charging commitments that could be made.</p> <p>** CO = Cash Out (one time cash settlement with responsible parties)</p> <p>Salary dollars represent a small percentage of the overall cost of conducting the work. Payroll charging against cashout special accounts is widespread in other regions and will have small affect on the cashout settlement dollars ability to pay for remedial work. This approach is consistent with OSWER's emphasis on utilizing special accounts for near-term work.</p> <p>* RE = Reimbursable (special accounts are replenished annually)</p> <p>Salary dollars are replenished based upon previous year cost packages.</p> |             |                  |   |

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**Commented [B57]:** Unclear why this language is here. These seem like overarching issues not directly related to the CO explanation.

EPR-SR currently has 6 RPMs eligible for retirement and 8 RPMs eligible for retirement in the next 5 years. EPR-ER believes they have 3 OSCs eligible for retirement and at least 2 OCS eligible for retirement in the next 5 years. ENF-L has 1 known retirement in FY15. ENF-RC currently has 1 FTE working in the Seattle Office, that FTE will be lost to the region in FY15. And, all 4 FTE in TMS-QA are eligible for retirement.

**Commented [BS8]:** No direct relationship to the Special Account analysis.

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| <b>Sites with greatest potential for Special Account Payroll Charging</b>   |      |          |  |
|---|------|----------|--|
| Site Name   | FTE  | SA Type* | Comment                                      |
| Rocky Mountain Arsenal  | 0.50 | RE       | This would be in addition to current 1.0 FTE |
| Anaconda Smelter  | 1.00 | CO       | 5-10 years of additional work                |
| ACM/Great Falls Refinery  | 0.50 | RE       | 10+ years of additional work                 |
| Kennecott (various OUs)   | 1.00 | RE       | 5-10 years of additional work                |
| Silver Bow Creek  | 2.00 | CO       | 10+ years of additional work                 |
| Milltown Reservoir  | 0.50 | CO       | 5+ years of additional work                  |
| Gilt Edge Mine  | 0.75 | CO       | 10+ years of additional work                 |
| Libby Asbestos OU3  | 0.75 | RE       | 10+ years of additional work                 |
| U.S. Magnesium  | 1.50 | RE       | 10+ years of additional work                 |
| Lincoln Park/Cetter   | 1.00 | RE       | 5-10 years of additional work                |
|   | 9.50 |          |  |
| <p>* FTE = Based on an analysis of actual charging in 2014.<br/>           These FTE are less than the actual charging and are conservative estimates of potential FTE charging commitments that could be made.</p> <p>** CO = Cash Out (one time cash settlement with responsible parties)<br/>           Salary dollars represent a small percentage of the overall cost of conducting the work. Payroll charging against cashout special accounts is widespread in other regions and will have small effect on the cashout settlement dollars ability to pay for remedial work. This approach is consistent with OSWER's emphasis on utilizing special accounts for near-term work.</p> <p>* RE = Reimbursable (special accounts are replenished annually)<br/>           Salary dollars are replenished based upon previous year cost packages.</p> |      |          |  |

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## Summary and Next Steps

Based upon current site charging, Special Account reimbursable charging can support salary needs of 5.25 FTE above the region's Superfund FTE ceiling. These reimbursable accounts are expected to remain in place for between 5 and 10 years. Special Account Cashout funds could support salary for 4.25 additional FTE above the Region's SF FTE ceiling for between 5 and 10

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years. Superfund reimbursable charging does not count against our regional Superfund ceiling. Consideration should be given to what specific PRC code may be freed up if staff begin charging to special accounts. There are 12 Superfund PRC codes. We may have specific ceilings by PRC code which could limit flexibility in deploying Superfund resources to certain functions (e.g., if RPM charging was freed up through use of special account funds, that PRC code could not be used for Superfund enforcement charging.) Future attrition and retirement of staff in Superfund Programs may provide an opportunity to address salary and budget decreases while minimizing future overall budgetary risks.

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**Commented [BS14]:** Delete?

**Commented [BS15]:** OK for background/ intro on special accounts

**Commented [BS16]:** Separate issue to address elsewhere. Could be linked with the list of potential retirees.